

SENATE BILL No. 422

DIGEST OF INTRODUCED BILL

Citations Affected: IC 4-6-12; IC 6-1.1; IC 32-29-7-3.

Synopsis: Abandoned housing. Requires the attorney general to establish and maintain a tax sale blight registry of all persons ineligible to participate in the tax sale. Reduces the redemption period for certain properties sold at the tax sale to 180 days. Provides that properties certified as vacant or abandoned may be sold outright at the tax sale. Prohibits foreign business associations that have not registered with the secretary of state from participating in the tax sale. Requires persons who purchase a property or certificate at a tax sale to reimburse the county for the costs of a title search. Permits a county to establish a paddle fee for persons who attend the tax sale. Requires the sheriff to notify the owner of a foreclosed property being sold at auction if the sale is canceled.

Effective: July 1, 2014.

Merritt

January 14, 2014, read first time and referred to Committee on Local Government.



Second Regular Session 118th General Assembly (2014)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2013 Regular Session and 2013 First Regular Technical Session of the General Assembly.

SENATE BILL No. 422

A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 4-6-12-2 IS AMENDED TO READ AS FOLLOWS
- 2 [EFFECTIVE JULY 1, 2014]: Sec. 2. The attorney general shall
- 3 establish a homeowner protection unit to enforce IC 24-9, **to operate**
- 4 **the tax sale blight registry**, and to carry out this chapter.
- 5 SECTION 2. IC 4-6-12-3, AS AMENDED BY P.L.231-2013,
- 6 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 7 JULY 1, 2014]: Sec. 3. (a) ~~Beginning July 1, 2005~~, The unit shall do
- 8 the following:
- 9 (1) Investigate deceptive acts in connection with mortgage
- 10 lending.
- 11 (2) Investigate violations of IC 24-9.
- 12 (3) Institute appropriate administrative and civil actions to
- 13 redress:
- 14 (A) deceptive acts in connection with mortgage lending; and
- 15 (B) violations of IC 24-5-0.5 and IC 24-9.
- 16 (4) Cooperate with federal, state, and local law enforcement



agencies in the investigation of the following:

- (A) Deceptive acts in connection with mortgage lending.
- (B) Criminal violations involving deceptive acts in connection with mortgage lending.
- (C) Violations of IC 24-5-0.5 and IC 24-9.
- (D) Violations of:
 - (i) the federal Truth in Lending Act (15 U.S.C. 1601 et seq.);
 - (ii) the Real Estate Settlement Procedures Act (12 U.S.C. 2601 et seq.); and
 - (iii) any other federal laws or regulations concerning mortgage lending.

To the extent authorized by federal law, the unit may enforce compliance with the federal statutes or regulations described in this clause or refer suspected violations of the statutes or regulations to the appropriate federal regulatory agencies.

- (5) Enforce violations of IC 32-25.5-3 by homeowners associations.

(6) Beginning July 1, 2015, operate and maintain the tax sale blight registry established by section 3.6 of this chapter.

- (b) The attorney general shall adopt rules under IC 4-22-2 to the extent necessary to organize the unit.

SECTION 3. IC 4-6-12-3.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 3.6. (a) Beginning July 1, 2015, the unit shall establish a registry of persons described in IC 6-1.1-24-5.3 who are prohibited from purchasing certain properties at a tax sale.**

(b) The registry described in subsection (a) is named the tax sale blight registry.

(c) The tax sale blight registry:

- (1) shall be made available in an electronic format or over the Internet to county officials responsible for conducting tax sales to ensure that persons not permitted to participate in the tax sale are excluded; and**
- (2) may be made available to the public in a form to be determined by the attorney general; however, confidential information, if any, must be excluded.**

(d) Notwithstanding subsection (c)(2), information contained in the tax sale blight registry that is not otherwise confidential is a public record for purposes of IC 5-14-3.

SECTION 4. IC 4-6-12-4, AS AMENDED BY P.L.1-2007, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



JULY 1, 2014]: Sec. 4. (a) The following may cooperate with the unit to implement this chapter:

- (1) The Indiana professional licensing agency and the appropriate licensing boards with respect to persons licensed under IC 25.
- (2) The department of financial institutions.
- (3) The department of insurance with respect to the sale of insurance in connection with mortgage lending.
- (4) The securities division of the office of the secretary of state.
- (5) The supreme court disciplinary commission with respect to attorney misconduct.
- (6) The Indiana housing and community development authority.
- (7) The department of state revenue.
- (8) The state police department.
- (9) A prosecuting attorney.
- (10) Local law enforcement agencies.
- (11) The lieutenant governor.
- (12) The county auditor.**
- (13) The county treasurer.**
- (14) The county recorder.**

(b) Notwithstanding IC 5-14-3, the entities listed in subsection (a) may share information with the unit.

SECTION 5. IC 6-1.1-24-2, AS AMENDED BY P.L.56-2012, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. (a) In addition to the delinquency list required under section 1 of this chapter, each county auditor shall prepare a notice. The notice shall contain the following:

- (1) A list of tracts or real property eligible for sale under this chapter, **with those tracts or real property that have been certified as vacant or abandoned under section 1 of this chapter clearly indicated.**
- (2) A statement that the tracts or real property included in the list will be sold at public auction to the highest bidder, subject to the right of redemption, **and a statement that there is no right of redemption for those tracts or real property that have been certified as vacant or abandoned under section 1 of this chapter.**
- (3) A statement that the tracts or real property will not be sold for an amount which is less than the sum of:
 - (A) the delinquent taxes and special assessments on each tract or item of real property;
 - (B) the taxes and special assessments on each tract or item of real property that are due and payable in the year of the sale,



whether or not they are delinquent;

(C) all penalties due on the delinquencies;

(D) an amount prescribed by the county auditor that equals the sum of:

(i) the greater of twenty-five dollars (\$25) or postage and publication costs; and

(ii) any other actual costs, **including the cost of conducting a title search**, incurred by the county that are directly attributable to the tax sale; and

(E) any unpaid costs due under subsection (b) from a prior tax sale.

(4) A statement that a person redeeming each tract or item of real property after the sale must pay:

(A) one hundred ten percent (110%) of the amount of the minimum bid for which the tract or item of real property was offered at the time of sale; ~~if the tract or item of real property is redeemed not more than six (6) months after the date of sale;~~

~~(B) one hundred fifteen percent (115%) of the amount of the minimum bid for which the tract or item of real property was offered at the time of sale if the tract or item of real property is redeemed more than six (6) months after the date of sale;~~

~~(C)~~ (B) the amount by which the purchase price exceeds the minimum bid on the tract or item of real property plus ten percent (10%) per annum on the amount by which the purchase price exceeds the minimum bid; and

~~(D)~~ (C) all taxes and special assessments on the tract or item of real property paid by the purchaser after the tax sale plus interest at the rate of ten percent (10%) per annum on the amount of taxes and special assessments paid by the purchaser on the redeemed property.

(5) A statement for informational purposes only, of the location of each tract or item of real property by key number, if any, and street address, if any, or a common description of the property other than a legal description. The township assessor, or the county assessor if there is no township assessor for the township, upon written request from the county auditor, shall provide the information to be in the notice required by this subsection. A misstatement in the key number or street address does not invalidate an otherwise valid sale.

(6) A statement that the county does not warrant the accuracy of the street address or common description of the property.



(7) A statement indicating:

(A) the name of the owner of each tract or item of real property with a single owner; or

(B) the name of at least one (1) of the owners of each tract or item of real property with multiple owners.

(8) A statement of the procedure to be followed for obtaining or objecting to a judgment and order of sale, that must include the following:

(A) A statement:

- (i) that the county auditor and county treasurer will apply on or after a date designated in the notice for a court judgment against the tracts or real property for an amount that is not less than the amount set under subdivision (3), and for an order to sell the tracts or real property at public auction to the highest bidder, subject to the right of redemption; and
- (ii) indicating the date when the period of redemption specified in IC 6-1.1-25-4 will expire, **if applicable**.

(B) A statement that any defense to the application for judgment must be:

- (i) filed with the court; and
- (ii) served on the county auditor and the county treasurer; before the date designated as the earliest date on which the application for judgment may be filed.

(C) A statement that the county auditor and the county treasurer are entitled to receive all pleadings, motions, petitions, and other filings related to the defense to the application for judgment.

(D) A statement that the court will set a date for a hearing at least seven (7) days before the advertised date and that the court will determine any defenses to the application for judgment at the hearing.

(9) A statement that the sale will be conducted at a place designated in the notice and that the sale will continue until all tracts and real property have been offered for sale.

(10) A statement that the sale will take place at the times and dates designated in the notice. Whenever the public auction is to be conducted as an electronic sale, the notice must include a statement indicating that the public auction will be conducted as an electronic sale and a description of the procedures that must be followed to participate in the electronic sale.

(11) A statement that a person redeeming each tract or item after the sale must pay the costs described in IC 6-1.1-25-2(e).



(12) If a county auditor and county treasurer have entered into an agreement under IC 6-1.1-25-4.7, a statement that the county auditor will perform the duties of the notification and title search under IC 6-1.1-25-4.5 and the notification and petition to the court for the tax deed under IC 6-1.1-25-4.6.

(13) A statement that, if the tract or item of real property is sold for an amount more than the minimum bid and the property is not redeemed, the owner of record of the tract or item of real property who is divested of ownership at the time the tax deed is issued may have a right to the tax sale surplus.

(14) If a determination has been made under subsection (d), a statement that tracts or items will be sold together.

(15) With respect to a tract or an item of real property that is subject to sale under this chapter after June 30, 2012, and before July 1, 2013, a statement declaring whether an ordinance adopted under IC 6-1.1-37-10.1 is in effect in the county and, if applicable, an explanation of the circumstances in which penalties on the delinquent taxes and special assessments will be waived.

(b) If within sixty (60) days before the date of the tax sale the county incurs costs set under subsection (a)(3)(D) and those costs are not paid, the county auditor shall enter the amount of costs that remain unpaid upon the tax duplicate of the property for which the costs were set. The county treasurer shall mail notice of unpaid costs entered upon a tax duplicate under this subsection to the owner of the property identified in the tax duplicate.

(c) The amount of unpaid costs entered upon a tax duplicate under subsection (b) must be paid no later than the date upon which the next installment of real estate taxes for the property is due. Unpaid costs entered upon a tax duplicate under subsection (b) are a lien against the property described in the tax duplicate, and amounts remaining unpaid on the date the next installment of real estate taxes is due may be collected in the same manner that delinquent property taxes are collected.

(d) The county auditor and county treasurer may establish the condition that a tract or item will be sold and may be redeemed under this chapter only if the tract or item is sold or redeemed together with one (1) or more other tracts or items. Property may be sold together only if the tract or item is owned by the same person.

SECTION 6. IC 6-1.1-24-2.2, AS AMENDED BY P.L.169-2006, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2.2. Whenever a notice required under section 2 of this chapter includes real property on the list prepared under section



1 1(a)(2) or 1.5(d) of this chapter, the notice must also contain a
 2 statement that:

3 (1) the property is on the alternate list prepared under section
 4 1(a)(2) or 1.5(d) of this chapter;

5 **(2) if the property is on the list prepared under section 1(a)(2)**
 6 **of this chapter, there is no redemption period and the county**
 7 **auditor shall execute and deliver a deed for the property to a**
 8 **person who places a bid for at least the amount required**
 9 **under section 5 of this chapter;**

10 **(3) if the property is on the list prepared under section 1.5(d) of**
 11 **this chapter and** is not redeemed within one hundred twenty
 12 (120) days after the date of sale, the county auditor shall execute
 13 and deliver a deed for the property to the purchaser or purchaser's
 14 assignee; and

15 ~~(3)~~ **(4)** if the property is offered for sale and a bid is not received
 16 for at least the amount required under section 5 of this chapter,
 17 the county auditor may execute and deliver a deed for the property
 18 to the county executive, subject to IC 6-1.1-25.

19 SECTION 7. IC 6-1.1-24-5.4 IS ADDED TO THE INDIANA
 20 CODE AS A NEW SECTION TO READ AS FOLLOWS
 21 [EFFECTIVE JULY 1, 2014]: **Sec. 5.4. (a) This section applies to the**
 22 **following:**

23 **(1) A foreign business association that:**

24 **(A) has not obtained a certificate of authority from, or**
 25 **registered with, the secretary of state in accordance with**
 26 **the procedures described in IC 23, as applicable; or**

27 **(B) has obtained a certificate of authority from, or**
 28 **registered with, the secretary of state in accordance with**
 29 **the procedures described in IC 23, as applicable, but is not**
 30 **in good standing in Indiana as determined by the secretary**
 31 **of state.**

32 **(2) A person who is an agent of a person described in this**
 33 **subsection.**

34 **(b) As used in this section, "foreign business association" means**
 35 **a corporation, professional corporation, nonprofit corporation,**
 36 **limited liability company, partnership, or limited partnership that**
 37 **is organized under the laws of another state or another country.**

38 **(c) A person subject to this section may not purchase a tract**
 39 **offered for sale under section 5 or 6.1 of this chapter. However, this**
 40 **section does not prohibit a person from bidding on a tract that is**
 41 **owned by the person and offered for sale under section 5 of this**
 42 **chapter.**



(d) If a person purchases a tract that the person was not eligible to purchase under this section, the sale of the property is subject to forfeiture. If the county treasurer determines or is notified not more than six (6) months after the date of the sale that the sale of the property should be forfeited under this section, the county treasurer shall:

(1) notify the person in writing that the sale is subject to forfeiture within thirty (30) days of the notice if:

(A) the person does not obtain a certificate of authority, or register with, the secretary of state in accordance with the procedures described in IC 23, as applicable; or

(B) the person does not otherwise cure the noncompliance that is the basis of the person's failure to be in good standing in Indiana as determined by the secretary of state;

(2) if the person does not meet the conditions described in subdivision (1) within thirty (30) days after the notice, refund the surplus amount of the person's bid to the person; and

(3) notify the county auditor that the sale has been forfeited.

Upon being notified that a sale has been forfeited, the county auditor shall issue a certificate to the county executive under section 6 of this chapter.

(e) A county treasurer may decline to forfeit a sale under this section because of inadvertence or mistake, lack of actual knowledge by the bidder, substantial harm to other parties with interests in the tract or item of real property, or other substantial reasons. If the treasurer declines to forfeit a sale, the treasurer shall:

(1) prepare a written statement explaining the reasons for declining to forfeit the sale; and

(2) retain the written statement as an official record.

(f) If a sale is forfeited under this section and the tract or item of real property is redeemed from the sale, the county auditor shall deposit the amount of the redemption into the county general fund and notify the county executive of the redemption. Upon being notified of the redemption, the county executive shall surrender the certificate to the county auditor.

SECTION 8. IC 6-1.1-24-6.3, AS AMENDED BY P.L.56-2012, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 6.3. (a) The sale of certificates of sale or property under this chapter must be held at the time and place stated in the notice of sale.



(b) A certificate of sale **or parcel of real property** may not be sold under this chapter if the following are paid before the time of sale:

(1) All the delinquent taxes, penalties, and special assessments on the tract or an item of real property.

(2) The amount prescribed by section 2(a)(3)(D) of this chapter, reflecting the costs incurred by the county due to the sale.

(c) The county executive shall sell the certificate of sale **or parcel of property**, subject to the right of redemption, **if applicable**, to the highest bidder at public auction. The public auction may be conducted as an electronic sale in conformity with section 5(k) of this chapter.

(d) The county auditor shall serve as the clerk of the sale.

SECTION 9. IC 6-1.1-24-6.4, AS AMENDED BY P.L.56-2012, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 6.4. (a) When a certificate of sale **or parcel of property** is sold under this chapter, the purchaser at the sale shall immediately pay the amount of the bid to the county treasurer. The county treasurer shall apply the payment in the following manner:

(1) First, to the taxes, special assessments, penalties, and costs described in section 5(f) of this chapter.

(2) Second, to other delinquent property taxes in the manner provided in IC 6-1.1-23-5(b).

(3) Third, to a separate "tax sale surplus fund".

(b) The:

(1) owner of record of the real property at the time the tax deed is issued who is divested of ownership by the issuance of a tax deed; or

(2) purchaser of the certificate or the purchaser's assignee, upon redemption of the tract or item of real property;

may file a verified claim for money that is deposited in the tax sale surplus fund. If the claim is approved by the county auditor and the county treasurer, the county auditor shall issue a warrant to the claimant for the amount due.

(c) An amount deposited in the tax sale surplus fund shall be transferred by the county auditor to the county general fund and may not be disbursed under subsection (b) if it is claimed more than three (3) years after the date of its receipt.

(d) Upon the assignment of the certificate of sale **or deed** to the purchaser, the county auditor shall indicate on the certificate **or deed** the amount for which the certificate of sale **or parcel of property** was sold.

SECTION 10. IC 6-1.1-24-9, AS AMENDED BY P.L.73-2010, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



JULY 1, 2014]: Sec. 9. (a) **This section does not apply to a person who purchases real property certified as vacant or abandoned under section 1 of this chapter.**

(b) Immediately after a tax sale purchaser pays the bid, as evidenced by the receipt of the county treasurer, or immediately after the county acquires a lien under section 6 of this chapter, the county auditor shall deliver a certificate of sale to the purchaser or to the county or to the city. The certificate shall be signed by the auditor and registered in the auditor's office. The certificate shall contain:

(1) a description of real property that corresponds to the description used on the notice of sale;

(2) the name of:

(A) the owner of record at the time of the sale of real property with a single owner; or

(B) at least one (1) of the owners of real property with multiple owners;

(3) the mailing address of the owner of the real property sold as indicated in the records of the county auditor;

(4) the name of the purchaser;

(5) the date of sale;

(6) the amount for which the real property was sold;

(7) the amount of the minimum bid for which the tract or real property was offered at the time of sale as required by section 5 of this chapter;

(8) the date when the period of redemption specified in IC 6-1.1-25-4 will expire;

(9) the court cause number under which judgment was obtained; and

(10) the street address, if any, or common description of the real property.

(b) (c) When a certificate of sale is issued under this section, the purchaser acquires a lien against the real property for the entire amount paid. The lien of the purchaser is superior to all liens against the real property which exist at the time the certificate is issued.

(c) (d) A certificate of sale is assignable. However, an assignment is not valid unless it is endorsed on the certificate of sale, acknowledged before an officer authorized to take acknowledgments of deeds, and registered in the office of the county auditor. When a certificate of sale is assigned, the assignee acquires the same rights and obligations that the original purchaser acquired.

(d) (e) Subject to IC 36-1-11-8, the county executive may assign a certificate of sale held in the name of the county executive to any



political subdivision during the life of the certificate. If an assignment is made under this subsection, the period of redemption of the real property under IC 6-1.1-25 is one hundred twenty (120) days after the date of the assignment.

SECTION 11. IC 6-1.1-24-16 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 16. (a) The county fiscal body may adopt an ordinance requiring every person who wishes to participate in a tax sale as a bidder to pay a paddle fee.**

(b) A paddle fee adopted under subsection (a) may not exceed:

(1) twenty-five dollars (\$25) for a person who:

(A) attends no more than one (1) tax sale in the county in any calendar year; and

(B) purchases no more than one (1) property or tax sale certificate; or

(2) one hundred dollars (\$100).

(c) A person may be required to pay the twenty-five dollar (\$25) paddle fee even if the person does not purchase a property or tax sale certificate.

(d) A person who purchases a one hundred dollar (\$100) paddle fee is permitted to participate as a bidder in as many tax sales as are offered in the county in the calendar year, and may purchase more than one (1) property or tax sale certificate.

(e) The treasurer shall deposit the paddle fee in the county general fund not later than thirty (30) days after the conclusion of the tax sale. The proceeds of the paddle fee may be used only to:

(1) defray the expenses of the tax sale; or

(2) reduce the number of vacant and abandoned houses, including rehabilitation, demolition, and foreclosure prevention and counseling.

SECTION 12. IC 6-1.1-25-2, AS AMENDED BY P.L.56-2012, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 2. (a) The total amount of money required for the redemption of real property equals:**

(1) the sum of the amounts prescribed in subsections (b) through (f); or

(2) the amount prescribed in subsection (g);

reduced by any amounts held in the name of the taxpayer or the purchaser in the tax sale surplus fund.

(b) Except as provided in subsection (g), the total amount required for redemption includes:

(1) one hundred ten percent (110%) of the minimum bid for



1 which the tract or **item of** real property was offered at the time of
 2 sale, as required by IC 6-1.1-24-5, if:

3 **(A) the sale was conducted before July 1, 2014; and**

4 **(B) the tract or item of real property is redeemed not more than**
 5 **six (6) months after the date of sale; or**

6 (2) one hundred fifteen percent (115%) of the minimum bid for
 7 which the tract or **item of** real property was offered at the time of
 8 sale, as required by IC 6-1.1-24-5, if:

9 **(A) the sale was conducted before July 1, 2014; and**

10 **(B) the tract or item of real property is redeemed more than six**
 11 **(6) months but not more than one (1) year after the date of**
 12 **sale.**

13 **(3) one hundred ten percent (110%) of the minimum bid for**
 14 **which the tract or item of real property was offered at the**
 15 **time of sale, as required by IC 6-1.1-24-5, if the sale was**
 16 **conducted after June 30, 2014.**

17 (c) Except as provided in subsection (g), in addition to the amount
 18 required under subsection (b), the total amount required for redemption
 19 includes the amount by which the purchase price exceeds the minimum
 20 bid on the real property plus ten percent (10%) per annum on the
 21 amount by which the purchase price exceeds the minimum bid on the
 22 property.

23 (d) Except as provided in subsection (g), in addition to the amount
 24 required under subsections (b) and (c), the total amount required for
 25 redemption includes all taxes and special assessments upon the
 26 property paid by the purchaser after the sale plus ten percent (10%)
 27 interest per annum on those taxes and special assessments.

28 (e) Except as provided in subsection (g), in addition to the amounts
 29 required under subsections (b), (c), and (d), the total amount required
 30 for redemption includes the following costs, if certified before
 31 redemption and not earlier than thirty (30) days after the date of sale of
 32 the property being redeemed by the payor to the county auditor on a
 33 form prescribed by the state board of accounts, that were incurred and
 34 paid by the purchaser, the purchaser's assignee, or the county, before
 35 redemption:

36 (1) The attorney's fees and costs of giving notice under section 4.5
 37 of this chapter.

38 (2) The costs of a title search or of examining and updating the
 39 abstract of title for the tract or item of real property.

40 (f) The total amount required for redemption includes, in addition
 41 to the amounts required under subsections (b) and (e), all taxes, special
 42 assessments, interest, penalties, and fees on the property that accrued



1 after the sale.

2 (g) With respect to a tract or item of real property redeemed under
3 section 4(c) of this chapter, instead of the amounts stated in subsections
4 (b) through (f), the total amount required for redemption is the amount
5 determined under IC 6-1.1-24-6.1(b)(4).

6 SECTION 13. IC 6-1.1-25-4, AS AMENDED BY P.L.118-2013,
7 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
8 JULY 1, 2014]: Sec. 4. (a) The period for redemption of real property
9 sold under IC 6-1.1-24 is:

10 (1) one (1) year after the date of sale, **if the sale occurs before**
11 **July 1, 2014;**

12 **(2) one hundred eighty (180) days after the date of sale, if the**
13 **sale occurs after June 30, 2014;**

14 ~~(2) (3)~~ (3) one hundred twenty (120) days after the date of sale to a
15 purchasing agency qualified under IC 36-7-17 or IC 36-7-17.1; ~~or~~
16 ~~(3) (4)~~ (4) one hundred twenty (120) days after the date of sale of real
17 property on the list prepared under IC 6-1.1-24-1(a)(2) or
18 IC 6-1.1-24-1.5, **if the sale occurs before July 1, 2014; or**

19 **(5) one hundred twenty (120) days after the date of sale of real**
20 **property on the list prepared under IC 6-1.1-24-1.5 and not on**
21 **the list prepared under IC 6-1.1-24-1(a)(2), if the sale occurs**
22 **after June 30, 2014.**

23 **After June 30, 2014, there is no redemption period for real**
24 **property certified as vacant or abandoned under**
25 **IC 6-1.1-24-1(a)(2).**

26 (b) Subject to subsection (l) and IC 6-1.1-24-9(d), the period for
27 redemption of real property:

28 (1) on which the county executive acquires a lien under
29 IC 6-1.1-24-6; and

30 (2) for which the certificate of sale is not sold under
31 IC 6-1.1-24-6.1;

32 is one hundred twenty (120) days after the date the county executive
33 acquires the lien under IC 6-1.1-24-6.

34 (c) The period for redemption of real property:

35 (1) on which the county executive acquires a lien under
36 IC 6-1.1-24-6; and

37 (2) for which the certificate of sale is sold under IC 6-1.1-24;

38 is one hundred twenty (120) days after the date of sale of the certificate
39 of sale under IC 6-1.1-24.

40 (d) When a deed for real property is executed under this chapter, the
41 county auditor shall cancel the certificate of sale, **if applicable**, and file
42 the canceled certificate in the office of the county auditor. If real



property that appears on the list prepared under IC 6-1.1-24-1.5 is offered for sale and an amount that is at least equal to the minimum sale price required under IC 6-1.1-24-5 is not received, the county auditor shall issue a deed to the real property, subject to this chapter. **If real property that is certified as vacant or abandoned under IC 6-1.1-24-1 is offered for sale and an amount that is at least equal to the minimum sale price required under IC 6-1.1-24-5 is received, the county auditor shall issue a deed to the real property, subject to this chapter.**

(e) When a deed is issued to a county executive under this chapter, the taxes and special assessments for which the real property was offered for sale, and all subsequent taxes, special assessments, interest, penalties, and cost of sale shall be removed from the tax duplicate in the same manner that taxes are removed by certificate of error.

(f) A tax deed executed under this chapter vests in the grantee an estate in fee simple absolute, free and clear of all liens and encumbrances created or suffered before or after the tax sale except those liens granted priority under federal law and the lien of the state or a political subdivision for taxes and special assessments which accrue subsequent to the sale and which are not removed under subsection (e). However, subject to subsection (g), the estate is subject to:

- (1) all easements, covenants, declarations, and other deed restrictions shown by public records;
- (2) laws, ordinances, and regulations concerning governmental police powers, including zoning, building, land use, improvements on the land, land division, and environmental protection; and
- (3) liens and encumbrances created or suffered by the grantee.

(g) A tax deed executed under this chapter for real property sold in a tax sale:

- (1) does not operate to extinguish an easement recorded before the date of the tax sale in the office of the recorder of the county in which the real property is located, regardless of whether the easement was taxed under this article separately from the real property; and
- (2) conveys title subject to all easements recorded before the date of the tax sale in the office of the recorder of the county in which the real property is located.

(h) A tax deed executed under this chapter is prima facie evidence of:

- (1) the regularity of the sale of the real property described in the



1 deed;

2 (2) the regularity of all proper proceedings; and

3 (3) valid title in fee simple in the grantee of the deed.

4 (i) A county auditor is not required to execute a deed to the county
5 executive under this chapter if the county executive determines that the
6 property involved contains hazardous waste or another environmental
7 hazard for which the cost of abatement or alleviation will exceed the
8 fair market value of the property. The county executive may enter the
9 property to conduct environmental investigations.

10 (j) If the county executive makes the determination under subsection
11 (i) as to any interest in an oil or gas lease or separate mineral rights, the
12 county treasurer shall certify all delinquent taxes, interest, penalties,
13 and costs assessed under IC 6-1.1-24 to the clerk, following the
14 procedures in IC 6-1.1-23-9. After the date of the county treasurer's
15 certification, the certified amount is subject to collection as delinquent
16 personal property taxes under IC 6-1.1-23. Notwithstanding
17 IC 6-1.1-4-12.4 and IC 6-1.1-4-12.6, the assessed value of such an
18 interest shall be zero (0) until production commences.

19 (k) When a deed is issued to a purchaser of a certificate of sale sold
20 under IC 6-1.1-24-6.1, the county auditor shall, in the same manner that
21 taxes are removed by certificate of error, remove from the tax duplicate
22 the taxes, special assessments, interest, penalties, and costs remaining
23 due as the difference between the amount of the last minimum bid
24 under IC 6-1.1-24-5 and the amount paid for the certificate of sale.

25 (l) If a tract or item of real property did not sell at a tax sale and the
26 county treasurer and the owner of real property agree before the
27 expiration of the period for redemption under subsection (b) to a
28 mutually satisfactory arrangement for the payment of the entire amount
29 required for redemption under section 2 of this chapter before the
30 expiration of a period for redemption extended under this subsection:

31 (1) the county treasurer may extend the period for redemption;
32 and

33 (2) except as provided in subsection (m), the extended period for
34 redemption expires one (1) year after the date of the agreement.

35 (m) If the owner of real property fails to meet the terms of an
36 agreement entered into with the county treasurer under subsection (l),
37 the county treasurer may terminate the agreement after providing thirty
38 (30) days written notice to the owner. If the county treasurer gives
39 notice under this subsection, the extended period for redemption
40 established under subsection (l) expires thirty (30) days after the date
41 of the notice.

42 SECTION 14. IC 6-1.1-25-4.5, AS AMENDED BY P.L.169-2006,



SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4.5. (a) Except as provided in ~~subsection~~ **subsections (d) and (k)**, a purchaser or the purchaser's assignee is entitled to a tax deed to the property that was sold only if:

(1) the redemption period specified in section 4(a)(1) of this chapter has expired;

(2) the property has not been redeemed within the period of redemption specified in section 4(a) of this chapter; and

(3) not later than nine (9) months after the date of the sale:

(A) the purchaser or the purchaser's assignee; or

(B) in a county where the county auditor and county treasurer have an agreement under section 4.7 of this chapter, the county auditor;

gives notice of the sale to the owner of record at the time of the sale and any person with a substantial property interest of public record in the tract or real property.

(b) A county executive is entitled to a tax deed to property on which the county executive acquires a lien under IC 6-1.1-24-6 and for which the certificate of sale is not sold under IC 6-1.1-24-6.1 only if:

(1) the redemption period specified in section 4(b) of this chapter has expired;

(2) the property has not been redeemed within the period of redemption specified in section 4(b) of this chapter; and

(3) not later than ninety (90) days after the date the county executive acquires the lien under IC 6-1.1-24-6, the county auditor gives notice of the sale to:

(A) the owner of record at the time the lien was acquired; and

(B) any person with a substantial property interest of public record in the tract or real property.

(c) A purchaser of a certificate of sale under IC 6-1.1-24-6.1 is entitled to a tax deed to the property for which the certificate was sold only if:

(1) the redemption period specified in section 4(c) of this chapter has expired;

(2) the property has not been redeemed within the period of redemption specified in section 4(c) of this chapter; and

(3) not later than ninety (90) days after the date of sale of the certificate of sale under IC 6-1.1-24, the purchaser gives notice of the sale to:

(A) the owner of record at the time of the sale; and

(B) any person with a substantial property interest of public record in the tract or real property.



(d) The person required to give the notice under subsection (a), (b), or (c) shall give the notice by sending a copy of the notice by certified mail to:

(1) the owner of record at the time of the:

(A) sale of the property;

(B) acquisition of the lien on the property under IC 6-1.1-24-6;

or

(C) sale of the certificate of sale on the property under IC 6-1.1-24;

at the last address of the owner for the property, as indicated in the records of the county auditor; and

(2) any person with a substantial property interest of public record at the address for the person included in the public record that indicates the interest.

However, if the address of the person with a substantial property interest of public record is not indicated in the public record that created the interest and cannot be located by ordinary means by the person required to give the notice under subsection (a), (b), or (c), the person may give notice by publication in accordance with IC 5-3-1-4 once each week for three (3) consecutive weeks.

(e) The notice that this section requires shall contain at least the following:

(1) A statement that a petition for a tax deed will be filed on or after a specified date.

(2) The date on or after which the petitioner intends to petition for a tax deed to be issued.

(3) A description of the tract or real property shown on the certificate of sale.

(4) The date the tract or real property was sold at a tax sale.

(5) The name of the:

(A) purchaser or purchaser's assignee;

(B) county executive that acquired the lien on the property under IC 6-1.1-24-6; or

(C) person that purchased the certificate of sale on the property under IC 6-1.1-24.

(6) A statement that any person may redeem the tract or real property.

(7) The components of the amount required to redeem the tract or real property.

(8) A statement that an entity identified in subdivision (5) is entitled to reimbursement for additional taxes or special assessments on the tract or real property that were paid by the



entity subsequent to the tax sale, lien acquisition, or purchase of the certificate of sale, and before redemption, plus interest.

(9) A statement that the tract or real property has not been redeemed.

(10) A statement that an entity identified in subdivision (5) is entitled to receive a deed for the tract or real property if it is not redeemed before the expiration of the period of redemption specified in section 4 of this chapter.

(11) A statement that an entity identified in subdivision (5) is entitled to reimbursement for costs described in section 2(e) of this chapter.

(12) The date of expiration of the period of redemption specified in section 4 of this chapter.

(13) A statement that if the property is not redeemed, the owner of record at the time the tax deed is issued may have a right to the tax sale surplus, if any.

(14) The street address, if any, or a common description of the tract or real property.

(15) The key number or parcel number of the tract or real property.

(f) The notice under this section must include not more than one (1) tract or item of real property listed and sold in one (1) description. However, when more than one (1) tract or item of real property is owned by one (1) person, all of the tracts or real property that are owned by that person may be included in one (1) notice.

(g) A single notice under this section may be used to notify joint owners of record at the last address of the joint owners for the property sold, as indicated in the records of the county auditor.

(h) The notice required by this section is considered sufficient if the notice is mailed to the address required under subsection (d).

(i) The notice under this section and the notice under section 4.6 of this chapter are not required for persons in possession not shown in the public records.

(j) If the purchaser fails to:

(1) comply with subsection (c)(3); or

(2) petition for the issuance of a tax deed within the time permitted under section 4.6(a) of this chapter;

the certificate of sale reverts to the county executive and may be retained by the county executive or sold under IC 6-1.1-24-6.1.

(k) A person is entitled to a tax deed to a property certified as vacant or abandoned under IC 6-1.1-24-1 if the person is the highest bidder whose bid is at least the minimum bid specified in



1 **IC 6-1.1-24-5.**

2 SECTION 15. IC 6-1.1-25-5 IS AMENDED TO READ AS
3 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 5. (a) A tax deed issued
4 under this chapter shall be issued substantially in the following form:

5 Whereas AB did, on the ____ day of _____, 20____, produce
6 to the undersigned, CD, auditor of the county of _____, in the
7 state of Indiana, a certificate of sale **or evidence of purchase at a tax**
8 **sale**, dated the ____ day of _____, 20____, signed by EF who, at
9 the date of the sale, was auditor of the county, from which it appears
10 that AB on the ____ day of _____, 20____, purchased at public
11 auction, held pursuant to law, the real property described in this
12 indenture for the sum of _____ dollars and _____ cents, being the
13 amount due on the real property for taxes, special assessments,
14 penalties and costs for the years _____, namely: (here set out the real
15 property offered for sale). Such real property has been recorded in the
16 office of the _____ county auditor as delinquent for the
17 nonpayment of taxes, and proper notice of the sale has been given. It
18 appearing that AB is the owner of the certificate of sale, **or the**
19 **purchaser**, that the time for redeeming such real property has expired,
20 **or that there is no redemption period**, that the property has not been
21 redeemed, that the undersigned has received a court order for the
22 issuance of a deed for the real property described in the certificate of
23 sale, that the records of the _____ county auditor's office state
24 that the real property was legally liable for taxation, and that the real
25 property has been duly assessed and properly charged on the duplicate
26 with the taxes and special assessments for the years _____;

27 Therefore, this indenture, made this ____ day of _____,
28 20____, between the State of Indiana, by CD, auditor of _____
29 county, of the first part, and AB, of the second part, witnesseth: That
30 the party of the first part, for and in consideration of the premises, has
31 granted and bargained and sold to the party of the second part, the real
32 property described in the certificate of sale, situated in the county of
33 _____, and State of Indiana, namely and more particularly
34 described as follows: (here set out the real property sold), to have and
35 to hold such real property, with the appurtenances belonging thereto,
36 in as full and ample a manner as the auditor of said county is
37 empowered by law to convey the same.

38 In testimony whereof, CD, auditor of _____ county, has
39 hereunto set his or her hand, and affixed the seal of the board of county
40 commissioners, the day and year last above mentioned.

41 WITNESS: _____ (L.S.)

42 Auditor of _____ County



1 STATE OF

2 INDIANA)

3) S.S.

4 COUNTY OF _____)

5 Before me, the undersigned, _____, in and for
6 said county, this day, personally came the above named CD, auditor of
7 said county, and acknowledged the execution of the foregoing deed for
8 the uses and purposes therein mentioned.

9 In witness whereof, I have hereunto set my hand and seal this ____
10 day of _____, 20____.

11 _____ (L.S.)

12 (b) The clerk of the circuit court shall acknowledge the execution of
13 tax title deeds issued under this chapter.

14 SECTION 16. IC 32-29-7-3, AS AMENDED BY P.L.102-2012,
15 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
16 JULY 1, 2014]: Sec. 3. (a) In a proceeding for the foreclosure of a
17 mortgage executed on real estate, process may not issue for the
18 execution of a judgment or decree of sale for a period of three (3)
19 months after the filing of a complaint in the proceeding. However:

20 (1) the period is:

21 (A) twelve (12) months in a proceeding for the foreclosure of
22 a mortgage executed before January 1, 1958; and

23 (B) six (6) months in a proceeding for the foreclosure of a
24 mortgage executed after December 31, 1957, but before July
25 1, 1975; and

26 (2) if the court finds under IC 32-30-10.6 that the mortgaged real
27 estate has been abandoned, a judgment or decree of sale may be
28 executed on the date the judgment of foreclosure or decree of sale
29 is entered, regardless of the date the mortgage is executed.

30 (b) A judgment and decree in a proceeding to foreclose a mortgage
31 that is entered by a court having jurisdiction may be filed with the clerk
32 in any county as provided in IC 33-32-3-2. After the period set forth in
33 subsection (a) expires, a person who may enforce the judgment and
34 decree may file a praecipe with the clerk in any county where the
35 judgment and decree is filed, and the clerk shall promptly issue and
36 certify to the sheriff of that county a copy of the judgment and decree
37 under the seal of the court. However, if:

38 (1) a praecipe is not filed with the clerk within one hundred eighty
39 (180) days after the later of the dates on which:

40 (A) the period specified in subsection (a) expires; or

41 (B) the judgment and decree is filed; and

42 (2) the sale is not:



- 1 (A) otherwise prohibited by law;
- 2 (B) subject to a voluntary statewide foreclosure moratorium;
- 3 or
- 4 (C) subject to a written agreement that:
- 5 (i) provides for a delay in the sale of the mortgaged real
- 6 estate; and
- 7 (ii) is executed by and between the owner of the mortgaged
- 8 real estate and a party entitled to enforce the judgment and
- 9 decree;
- 10 an enforcement authority that has issued an abatement order under
- 11 IC 36-7-36-9 with respect to the mortgaged real estate may file a
- 12 praecipe with the clerk in any county where the judgment and decree
- 13 is filed. If an enforcement authority files a praecipe under this
- 14 subsection, the clerk of the county in which the praecipe is filed shall
- 15 promptly issue and certify to the sheriff of that county a copy of the
- 16 judgment and decree under the seal of the court.
- 17 (c) Upon receiving a certified judgment under subsection (b), the
- 18 sheriff shall, subject to section 4 of this chapter, sell the mortgaged
- 19 premises or as much of the mortgaged premises as necessary to satisfy
- 20 the judgment, interest, and costs at public auction at the office of the
- 21 sheriff or at another location that is reasonably likely to attract higher
- 22 competitive bids. The sheriff shall schedule the date and time of the
- 23 sheriff's sale for:
- 24 (1) a date not later than one hundred twenty (120) days after the
- 25 date on which the judgment and decree under seal of the court are
- 26 certified to the sheriff by the clerk; and
- 27 (2) a time certain between the hours of 10 a.m. and 4 p.m. on any
- 28 day of the week except Sunday.
- 29 (d) Before selling mortgaged property, the sheriff must advertise the
- 30 sale by publication once each week for three (3) successive weeks in
- 31 a daily or weekly newspaper of general circulation. The sheriff shall
- 32 publish the advertisement in at least one (1) newspaper published and
- 33 circulated in each county where the real estate is situated. The first
- 34 publication shall be made at least thirty (30) days before the date of
- 35 sale. At the time of placing the first advertisement by publication, the
- 36 sheriff shall also serve a copy of the written or printed notice of sale
- 37 upon each owner of the real estate. Service of the written notice shall
- 38 be made as provided in the Indiana Rules of Trial Procedure governing
- 39 service of process upon a person. The sheriff shall charge a fee of ten
- 40 dollars (\$10) to one (1) owner and three dollars (\$3) to each additional
- 41 owner for service of written notice under this subsection. The fee is:
- 42 (1) a cost of the proceeding;



(2) to be collected as other costs of the proceeding are collected;

and

(3) to be deposited in the county general fund for appropriation for operating expenses of the sheriff's department.

(e) The sheriff also shall post written or printed notices of the sale at the door of the courthouse of each county in which the real estate is located.

(f) If the sheriff is unable to procure the publication of a notice within the county, the sheriff may dispense with publication. The sheriff shall state that the sheriff was not able to procure the publication and explain the reason why publication was not possible.

(g) Notices under subsections (d), ~~and~~ (e), ~~and~~ (i) must contain a statement, for informational purposes only, of the location of each property by street address, if any, or other common description of the property other than legal description. A misstatement in the informational statement under this subsection does not invalidate an otherwise valid sale.

(h) The sheriff may charge an administrative fee of not more than two hundred dollars (\$200) with respect to a proceeding referred to in subsection (b) for actual costs directly attributable to the administration of the sale under subsection (c). The fee is:

(1) payable by the person seeking to enforce the judgment and decree; and

(2) due at the time of filing of the praecipe; under subsection (b).

(i) If a sale of mortgaged property scheduled under this section is canceled, the sheriff shall provide written notice of the cancellation to each owner of the real estate. Service of the written notice shall be made as provided in the Indiana Rules of Trial Procedure governing service of process upon a person. The sheriff shall charge a fee of ten dollars (\$10) for notice to one (1) owner and three dollars (\$3) for notice to each additional owner for service of written notice under this subsection. The fee:

(1) is a cost of the proceeding;

(2) shall be collected as other costs of the proceeding are collected; and

(3) shall be deposited in the county general fund for appropriation for operating expenses of the sheriff's department.

The fee for service under this subsection shall be paid by the person who caused the sale to be canceled.

